APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office APR 09 2002						
Returned to applicant for correction APR 22 2002						
Corrected application filed						
Map filed						
******* The applicant Sterling Ranch Estates, LLC, a Nevada Limited liability company hereby make application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated.						

1. The source of the proposed appropriation is Underground						
2. The amount of water applied for is second feet. 0.111 cfs (50 GPM)						
(a) If stored in reservoir give number of acre-feet						
3. The water to be used for Irrigation (landscape)						
4. If use is for:						
(a) Irrigation, state number of acres to be irrigated 0.75						
(b) Stockwater, state number and kind of animals to be watered						
(c) Other use (describe fully under No. 12. "Remarks")						
(d) Power: (1) Horsepower developed (2) Point of return of water to stream						
5. The water is to be diverted from its source at the following point SW¼ SW¼ Section 1, T. 12N., R. 20E., M.D.B.& M., or at a point from which the SW corner of said Section 1 bears						

- S.22°0'30"W., a distance of 1340.0 feet.

 6. Place of Use Portions of the NW¼ SW¼, NE¼ SW¼, SE¼ SW¼, SW¼, SW¼, Section 1,T. 12N., R. 20E., M.D.B.& M. Refer to map filed under Application 68303.
- 7. Use will begin about January 1 and end about December 31 of each year.
- 8. Description of proposed works A drilled and cased well equipped with a motor, pump, meter and storage tank.
- 9. Estimated cost of works \$200,000.00
- 10. Estimated time required to construct works Three (3) Years
- 11. Estimated time required to complete the application of water to beneficial use Five (5) Years

12. Remarks: Application is being made to provide additional diversion rate for the landscape irrigation of the Sterling Ranch Estates Development. Total combined duty of this Application and Application 68303 is not to exceed 3 acre-feet annually. Use map on file under Application 68303 for the proposed Point of Diversion.

s/ Gregory M. Bilyeu
By Gregory M. Bilyeu
500 Damonte Ranch Parkway, Suite 1056
Reno, NV 89511

Compared	sg/cmf	TD/CMI		
Protested				

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of The totalizing meter must be water placed to beneficial use. installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The total combined duty of water under Permits 68303 and 68696 shall not exceed 3.0 acre-feet annually.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

This permit is issued for additional diversion rate only. (CONTINUED ON PAGE 3)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.111 cubic feet per second, but not to exceed 3.0 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

March 24, 2004

Proof of completion of work shall be filed on or before:

April 24, 2004

Water must be placed to beneficial use on or before:

March 24, 2006

Proof of the application of water to beneficial use shall be filed on or before:

April 24, 2006

Map in support of proof of beneficial use shall be filed on or before:

April 24, 2006

IN TESTIMONY WHEREOF, I, HUGH RICCI, P.E.,

State Engineer of Nevada, have hereunto set

my hand and the seal of my office,

this 16th day of April, A.D. 2003